

**4th JUDICIAL DISTRICT COMMUNITY CORRECTIONS AUTHORITY
COUNTY OF EL PASO, STATE OF COLORADO**

**MEETING AGENDA
August 1, 2025, 10:45 a.m.**

**Virtual Meeting via TEAMS
Meeting ID: 257 795 707 687 7
Passcode: UU97CD6q**

- | | | |
|---|-----------------|-------------|
| 1. Welcome | Chair | |
| 2. Public Comment | Chair | |
| 3. Approval of the minutes of 6/27/2025 | Chair | |
| 4. Resolution to increase the SFY25 Community Corrections Allocation and Increase the SFY25 Embrave / ComCor, Inc. Allocation | Christine Burns | Action |
| 5. December 31, 2024 Financial Audit Report | Christine Burns | Information |
| 6. Authority/Staff Comments | Chair/All | |
| 7. Adjourn | Chair | |

**4th JUDICIAL DISTRICT COMMUNITY CORRECTIONS AUTHORITY
COUNTY OF EL PASO, STATE OF COLORADO**

ACTION MEETING MINUTES

**4th Judicial District Community Corrections Authority Meeting
Friday, June 27, 2025, 12:15 PM
This meeting was held virtually via TEAMS**

PRESENT: Ryan Graham, Brent Nelson

ABSENT: Teller County representative (vacant).

STAFF/GUESTS PRESENT: Christine Burns, Shanna Smith, McCain Hildebrand, Daniel Huddleston, Cassidy Keltner, Frances Falk

1. Welcome: Meeting was called to order at 12:15 PM by Ryan Graham, Chair.
2. No Public Comment
3. **ACTION:** Ratified Meeting Minutes of January 15, 2025, by unanimous consent with no changes.
4. Christine Burns and Shanna Smith presented the 4th Judicial District Community Corrections Authority financial data.
5. Christine Burns presented the Division of Criminal Justice 2025-2026 Community Corrections Allocation Memo.
6. Resolution 25-01 to accept State Fiscal Year 2026 Option Letter Allocation #2 from the Department of Public Safety, Division of Criminal Justice (CDPS/DCJ).

ACTION: BRENT NELSON MOVED AND RYAN GRAHAM SECONDED TO ACCEPT STATE FISCAL YEAR 2026 OPTION LETTER ALLOCATION #2 FROM THE DEPARTMENT OF PUBLIC SAFETY, DIVISION OF CRIMINAL JUSTICE. THE MOTION CARRIED (2-0).

7. Resolution 25-02 to approve the proposed use of funds allocated by CDPS/DCJ for State Fiscal Year 2026.

ACTION: BRENT NELSON MOVED AND RYAN GRAHAM SECONDED TO APPROVE THE PROPOSED USE OF FUNDS ALLOCATED BY CDPS/DCJ FOR STATE FISCAL YEAR 2026. THE MOTION CARRIED (2-0).

8. Resolution 25-03 to Approve a SFY26 Extension of Services Letter and Funding Allocation Letter #2 to ComCor, Inc. dba Embrave.

ACTION: BRENT NELSON MOVED AND RYAN GRAHAM SECONDED TO APPROVE THE SFY26 EXTENSION OF SERVICES LETTER AND FUNDING ALLOCATION LETTER #2 TO COMCOR, INC., DBA EMBRAVE. THE MOTION CARRIED (2-0).

9. Resolution 25-04 to Approve a SFY26 Extension of Services Letter and Funding Allocation Letter #2 to GEO Reentry, Inc. (Community Alternatives of El Paso County).

ACTION: BRENT NELSON MOVED AND RYAN GRAHAM SECONDED TO APPROVE THE SFY26 EXTENSION OF SERVICES LETTER AND FUNDING ALLOCATION LETTER #2 TO GEO REENTRY, INC. (COMMUNITY ALTERNATIVES OF EL PASO COUNTY). THE MOTION CARRIED (2-0).

10. MaCain Hildebrand presented the CYA24 Community Corrections Annual Board Report.
11. Authority/Staff comments: Christine Burns noted that the next Authority meeting will be scheduled for July, pending any additional state allocation for SFY25 over-expenditure. Frances Falk thanked the Authority for its continued support in serving the re-entry community. Brent Nelson expressed appreciation to staff for the timely and thorough presentation of materials; Ryan Graham concurred.

THE MEETING WAS ADJOURNED AT 12:32 PM.

Approval Date: August 1, 2025

By: _____

Ryan Graham, Chair

AGENDA ITEM SUMMARY

Date: August 1, 2025 Item No. 4

To: 4th Judicial Community Corrections Authority

From: Christine Burns, Director, Division of Justice Services

Agenda Title: Resolution 25-05 to increase the SFY25 Allocation from the State of Colorado, Department of Public Safety and authorize a SFY25 allocation increase to Embrace

SUMMARY (including information on budgeted matters)

Resolution to increase the SFY25 Allocation from the State of Colorado, Department of Public Safety and authorize a SFY25 allocation increase to Embrace/ComCor, Inc. for the provision of Community Corrections.

BACKGROUND (including information on budgeted matters)

The State of Colorado, Department of Public Safety (DPS) and the 4th Judicial District Community Corrections Authority (Authority) executed a State Fiscal Year 2025 (SFY25) Allocation Letter for the provision of community corrections services in the 4th Judicial District for a total amount of \$13,888,145.39.

The financial obligations of the State of Colorado payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, or otherwise being made available. On July 24, 2025, DPS provided an additional \$147,446.33 to the Authority above the original allocation. The total funding for SFY25 was made available and paid to the Authority amounting to \$13,943,676.31.

Community Correction's provider Embrace / ComCor, Inc. was allocated \$6,702,057.16 for the provision of community corrections services in the 4th Judicial District for (SFY25), of which, \$6,260,580.38 was for residential, non-residential and intensive residential treatment services. During SFY25, Embrace served more clients than originally allocated to serve and for which DPS has recognized and provided additional funding to the authority to support Embrace's over-expenditure.

The State of Colorado appropriated and made available funds for the payment of community corrections services provided during SFY25. The Community Corrections Authority is being asked to accept an additional \$147,446.33 in SFY25 allocation and increase the allocation to Embrace/ComCor, Inc. for SFY25, from the original allocated amount of \$6,702,057.16 to \$6,971,953.06 representing an allocation increase of \$269,895.90 specifically for billed services.

Proposed Motion

Move to accept an increase to the SFY25 Allocation from the State of Colorado, Department of Public Safety in the amount of \$147,446.33 and increase the SFY25 allocation to Embrace/ComCor, Inc. by \$269,895.90.

RESOLUTION NO. 25-05

**4th JUDICIAL DISTRICT COMMUNITY CORRECTIONS AUTHORITY
COUNTY OF EL PASO, STATE OF COLORADO**

**RESOLUTION TO INCREASE THE SFY25 COMMUNITY CORRECTIONS ALLOCATION
FROM THE STATE OF COLORADO, DEPARTMENT OF PUBLIC SAFETY, AND
AUTHORIZE A SFY25 ALLOCATION INCREASE TO EMBRAVE**

WHEREAS, the 4th Judicial District is authorized to receive funding from the State of Colorado, Department of Public Safety (DPS), to support local community corrections programs; and

WHEREAS, for State Fiscal Year 2025 (SFY25), DPS allocated a total of \$13,943,676.31 to the 4th Judicial District Community Corrections Authority (the “Authority”), including a final payment of \$147,446.33 issued via Electronic Funds Transfer (EFT), Ref. No. 2987431 on July 24, 2025; and

WHEREAS, the Authority’s total expenditures for SFY25 amounted to \$13,943,676.31, including vendor over-expenditures that were not contractually obligated but were wholly contingent upon the availability of additional funding from DPS, which has since been provided; and

WHEREAS, on June 27, 2024, through Resolution 24-03, the Authority allocated to Embrave for SFY25 the amount of \$6,260,580.38 for residential, non-residential, and intensive residential treatment services; and

WHEREAS, during SFY25, Embrave provided residential, non-residential, and intensive residential treatment services totaling \$6,629,116.12 and received payments totaling \$6,359,220.22 resulting in an underpayment of \$269,895.90 for these services; and

WHEREAS, the net outstanding balance owed to Embrave for SFY25 services is \$269,895.90.

NOW, THEREFORE, BE IT RESOLVED that the 4th Judicial District Community Corrections Authority hereby:

1. Accepts the additional \$147,446.33 in SFY25 allocation from the State of Colorado, Department of Public Safety; and
2. Approves an increase to Embrave’s SFY25 allocation from \$6,702,057.16 to \$6,971,953.06, reflecting a total allocation increase of \$269,895.90.

DONE THIS 1st day of August 2025 at Colorado Springs, Colorado.

4th JUDICIAL DISTRICT COMMUNITY CORRECTIONS AUTHORITY

By _____
Ryan Graham, Chair

FY 24-25
4th JD, El Paso County (846000774-N)
Contract #: 190450
Allocation Letter #1

	Appropriation RGCGED230 General Fund	Appropriation RRCGFD230 Reappropriated Funds	Appropriation RRCGKD330 Correctional Treatment Funds	Appropriation RGAAED300 Facility Payment	Appropriation RCCGAD210 Board Administration	TOTALS

ALLOCATIONS						
Allocated Funds	12,366,118.13	233,543.46	300,000.00	482,215.17	506,268.63	13,888,145.39
Contract Total	12,366,118.13	233,543.46	300,000.00	482,215.17	506,268.63	13,888,145.39

MODIFICATIONS						
Funding Letter #1						
Funding Letter #2						
Modification Total						

TOTALS						
Contract Total	12,366,118.13	233,543.46	300,000.00	482,215.17	506,268.63	13,888,145.39

PAYMENTS						
ALLOCATION PAY						
1st Payment	3,091,529.52	58,385.87	75,000.00	241,107.59	126,567.16	3,592,590.14
2nd Payment	3,091,529.53	58,385.87	75,000.00		126,567.16	3,351,482.56
3rd Payment	3,091,529.53	58,385.87	75,000.00	241,107.58	126,567.16	3,592,590.14
4th Payment	3,000,000.00	58,000.00	75,000.00		126,567.15	3,259,567.15
Final Pmt FY25						
YTD Paid	12,274,588.58	233,157.61	300,000.00	482,215.17	506,268.63	13,796,229.98
Balance	91,529.55	385.85				91,915.41

D CORE PAYMENT	12,274,588.58	233,157.61	300,000.00	482,215.17	506,268.63	13,796,229.98
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EXPENDITURES						
July	985,799.11	31,990.50	18,132.00	241,107.59	126,567.16	1,403,596.36
Aug	994,967.79	30,710.88	18,199.00			1,043,877.67
Sept	944,388.39	37,748.79	17,376.00			999,513.18
Oct	986,429.48	24,668.23	19,040.00		126,567.16	1,156,704.87
Nov	974,125.20	21,113.73	18,188.00			1,013,426.93
Dec	1,054,397.21	26,303.30	18,385.00			1,099,085.51
Jan	1,060,960.99	18,483.40	16,125.62	241,107.58	126,567.16	1,463,244.75
Feb	976,372.87	20,687.19	13,179.00			1,010,239.06
March	1,122,289.81	32,701.40	19,696.00		126,567.15	1,301,254.36
April	1,086,101.03	32,345.95	14,498.00			1,132,944.98
May	1,125,495.56	31,279.60	17,178.54			1,173,953.70
June	1,107,562.51	23,637.43	14,632.00			1,145,831.94
YTD Expenditures	12,418,889.95	331,670.40	204,629.16	482,215.17	506,268.63	13,943,673.31

YEAR-END						
Expenditures to Date	12,418,889.95	331,670.40	204,629.16	482,215.17	506,268.63	13,943,673.31
Payments to Date	12,274,588.58	233,157.61	300,000.00	482,215.17	506,268.63	13,796,229.98
Balance	(144,301.37)	(98,512.80)	95,370.84			(146,726.33)

YEAR-END RESULTS						
Receivable			95,370.84			95,370.84
Payable	(144,301.37)	(98,512.80)				(242,817.17)
Balance						(147,446.33)

4th Judicial District District Community Corrections Authority		
End of Year - Final Payments SFY25		
SFY25 Amount Received (Income)		
Core Quarterly Payments	\$ 13,796,229.98	
Final Payment	\$ 147,446.33	
TOTAL RECEIVED	\$ 13,943,676.31	
Payments Made (Expenditures)		Running Total
Board Administration	\$ 506,268.63	\$ 13,437,407.68
Facility Payments	\$ 482,215.17	\$ 12,955,192.52
Correctional Treatment	\$ 204,629.16	\$ 12,750,563.36
Out of District Res/NR	\$ 16,735.33	\$ 12,733,828.03
CAE Res/NR/IRT	\$ 6,104,708.90	\$ 6,629,119.13
Embrave Res/NR/IRT	\$ 6,359,220.22	\$ 269,898.91
TOTAL EXPENDITURES	\$ 13,673,777.40	
Balance	\$ 269,898.90	
Amount Still Owed to Embrave	\$ 269,898.91	
SFY25 Net Position	\$ -	

MONTH: Jun-25

EMBRAVE

	Total SFY25 Contract		
	\$ 6,702,057.16	TOTAL YTD Expenditure	% Contract Expended
Residential Housing	\$ 5,968,005.50	\$ (6,187,318.19)	92.32%
COP IRT	\$ 116,765.33	\$ (241,777.09)	3.61%
Non-Residential	\$ 175,809.55	\$ (200,020.84)	2.98%
Correctional Treatment	\$ 120,000.00	\$ (21,360.16)	0.32%
Facility Payment	\$ 321,476.78	\$ (321,476.78)	4.80%
Other	\$ -	\$ -	0.00%
Total YTD Expenditure		\$ (6,971,953.06)	104.03%
Percent Actual Expended			
Expected YTD Per Contract			100.00%
Percent Under/Over (-)			-4.03%
Total Balance in Contract		\$ (269,895.90)	

Expected YTD Expenditures Per Contract	Actual YTD Expenditure	Actual YTD \$ Under / (Over) Against Expected	% Under / Over (-) against expected	
\$ 5,968,005.50	\$ 6,187,318.19	\$ (219,312.69)	-3.67%	Residential
\$ 116,765.33	\$ 241,777.09	\$ (125,011.76)	-107.06%	COP IRT
\$ 175,809.55	\$ 200,020.84	\$ (24,211.29)	-13.77%	Non-Residential
\$ 120,000.00	\$ 21,360.16	\$ 98,639.84	82.20%	Correctional Treatment

4th Judicial District - Community Corrections Program Revenue and Expenditures
SUMMARY OF ALLOCATION EXPENSES - EMBRAVE
SFY25 July 1, 2024 - June 30, 2025

EMBRAVE			ACTUAL INVOICING RECEIVED FROM AND PAID TO VENDOR						TOTAL FIRST HALF
	Allocated Amount From DCJ/EPC	Actual Expenditure YTD from 7/1/24 to 06/30/25	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	
Community Corrections Residential Housing	\$ 5,968,005.50	\$ 6,187,318.19	\$ 494,146.59	\$ 468,945.19	\$ 432,618.19	\$ 467,878.84	\$ 461,871.73	\$ 527,914.34	\$ 2,853,374.88
Community Corrections - COP IRT	\$ 116,765.33	\$ 241,777.09	\$ 23,175.34	\$ 22,108.99	\$ 27,867.28	\$ 20,047.38	\$ 15,639.80	\$ 18,838.85	\$ 127,677.64
Community Corrections - Non-Residential	\$ 175,809.55	\$ 200,020.84	\$ 15,531.40	\$ 17,319.18	\$ 17,425.20	\$ 16,874.60	\$ 16,741.12	\$ 16,628.48	\$ 100,519.98
Community Corrections Correctional Treatment	\$ 120,000.00	\$ 21,360.16	\$ 1,105.00	\$ 1,602.00	\$ 990.00	\$ 1,670.00	\$ 2,777.00	\$ 1,330.00	\$ 9,474.00
Community Corrections Facility Payments (FP)	\$ 321,476.78	\$ 321,476.78	\$ -	\$ -	\$ 160,738.39	\$ -	\$ -	\$ -	\$ 160,738.39
Other		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Option Allocation (add only if received)		\$ -							
	\$ 6,702,057.16	6,971,953.06	\$ 533,958.33	\$ 509,975.36	\$ 639,639.06	\$ 506,470.82	\$ 497,029.65	\$ 564,711.67	\$ 3,251,784.89
	Contract Amount Remaining		Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	TOTAL SECOND HALF
Community Corrections Residential Housing	\$ (219,312.69)		\$ 539,857.46	\$ 515,366.97	\$ 582,760.28	\$ 563,708.16	\$ 566,551.76	\$ 565,698.68	\$ 3,333,943.31
Community Corrections - COP IRT	\$ (125,011.76)		\$ 10,236.96	\$ 14,004.73	\$ 25,308.04	\$ 23,886.24	\$ 21,682.45	\$ 18,981.03	\$ 114,099.45
Community Corrections - Non-Residential	\$ (24,211.29)		\$ 15,575.92	\$ 10,814.40	\$ 16,161.38	\$ 17,631.96	\$ 19,012.90	\$ 20,304.30	\$ 99,500.86
Community Corrections Correctional Treatment	\$ 98,639.84		\$ 1,774.62	\$ 400.00	\$ 4,367.00	\$ 500.00	\$ 4,124.54	\$ 720.00	\$ 11,886.16
Community Corrections Facility Payments	\$ -		\$ -	\$ -	\$ 160,738.39	\$ -	\$ -	\$ -	\$ 160,738.39
Other	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Option Allocation (add only if received)	\$ -								\$ -
REMAINING FUNDS IN ALLOCATION	\$ (269,895.90)		\$ 567,444.96	\$ 540,586.10	\$ 789,335.09	\$ 605,726.36	\$ 611,371.65	\$ 605,704.01	\$ 3,720,168.17

Expected Expenditure Total Allocation (Monthly)	\$ 531,715.03
Actual Expenditure Total Allocation (Current Month)	\$ 605,704.01
% Expected Expenditure (To Date)	100.00%
% Actual Expenditure (To Date)	104.03%
% Under / (Over) Spent	-4.03%

Expected YTD Expenditures Per Allocation	Actual YTD Expenditure	Actual YTD \$ Under / (Over) Against Expected	% Under / Over (-) against expected	
\$ 5,968,005.50	\$ 6,187,318.19	\$ (219,312.69)	-3.67%	Residential Housing
\$ 116,765.33	\$ 241,777.09	\$ (125,011.76)	-107.06%	COP IRT
\$ 175,809.55	\$ 200,020.84	\$ (24,211.29)	-13.77%	Non-Residential
\$ 120,000.00	\$ 21,360.16	\$ 98,639.84	82.20%	Correctional Treatment
\$ 321,476.78	\$ 321,476.78	\$ -	0.00%	Facility Payment

AGENDA ITEM SUMMARY

Date: AUGUST 1, 2025 Item: 5

To: 4th Judicial District Community Corrections Authority

From: Christine Burns, Director, Division of Justice Services

Agenda Title: Independent Financial Audit December 31, 2024

SUMMARY (including information on budgeted matters)

The findings of the 2024 Independent Financial Audit by RubinBrown will be presented.

BACKGROUND (including information on budgeted matters)

Colorado Revised Statutes Code § 29-1-603 (2022) requires the governing body of each local government in the state to have an annual audit of their financial statements. In addition, the audits shall be conducted in accordance with generally accepted auditing standards by an auditor, as defined in section 29-1-602.

On January 10, 2025, the members of the 4th Judicial District Community Corrections Authority approved the annual audit engagement letter with RubinBrown for the 2024 Fiscal Year.

The findings of the audit are attached.

PROPOSED MOTION

n/a

ATTACHMENTS

RubinBrown Independent Financial Audit of the 4th Judicial District Community Corrections Authority December 31, 2024, Auditor Communications and Financial Statements.

***FOURTH JUDICIAL DISTRICT
COMMUNITY CORRECTIONS AUTHORITY
AUDITOR COMMUNICATIONS
DECEMBER 31, 2024***

Community Corrections Board of Directors
Fourth Judicial District
Community Corrections Authority
Colorado Springs, Colorado

We have audited the financial statements of Fourth Judicial District Community Corrections Authority (the Authority) as of and for the year ended December 31, 2024, and have issued our report thereon dated July 23, 2025. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 23, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects Of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year ended December 31, 2024. We noted no transactions entered into during the year for which there was a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred. There are no instances where we consider a significant accounting practice that is acceptable under the applicable financial reporting framework not to be most appropriate to the particular circumstances of the Authority.

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. There were no significant unusual transactions identified as a result of our audit procedures that were brought to the attention of management.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates may be particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. In the Authority's case, we noted no significant judgments or accounting estimates.

The disclosures to the financial statements are neutral, consistent and clear. Certain financial statement disclosures can be particularly sensitive because of their significance to the users of the financial statements. In the Authority's case, we noted no significant disclosures.

Circumstances That Affect The Form And Content Of The Auditors' Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditors' report. There were no such circumstances identified during the audit.

Matters Resulting In Consultation Outside The Engagement Team

There were no significant matters which resulted in consultation outside of our engagement team.

Difficulties Encountered In Performing The Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected And Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. No uncorrected misstatements were proposed by us during our audit of the Authority.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. No corrected misstatements were identified in our audit of the Authority.

Disagreements With Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the attached management representation letter.

Management Consultations With Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to an entity’s financial statements or a determination of the type of auditors’ opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings Or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority’s auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition to our retention.

This information is intended solely for the information and use of the Community Corrections Board of Directors of the Authority and is not intended to be and should not be used by anyone other than these specified parties.

RubinBrown LLP

July 23, 2025

Fourth Judicial District Community Corrections Authority

July 23, 2025

RubinBrown LLP
1900 16th Street
Suite 1700
Denver, CO 80202

This representation letter is provided in connection with your audit of the financial statements of the Fourth Judicial District Community Corrections Authority as of December 31, 2024, and for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position and the results of operations of the governmental activities and major fund of Fourth Judicial District Community Corrections Authority, in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

We understand we are responsible for management decisions and functions, for designating a qualified employee to oversee any nonattest services you provide, for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

Certain representations in this letter are described as being limited to matters that are material. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

We confirm that, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit:

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- 2) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 4) We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- 5) We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- 6) We have a process to track the status of audit findings and recommendations.
- 7) We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 8) Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- 9) All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- 10) All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

- 11) The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- 12) All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- 13) All funds and activities are properly classified.
- 14) All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- 15) All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- 16) Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- 17) All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 18) All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- 19) All interfund and intra-entity transactions and balances have been properly classified and reported.
- 20) Special items and extraordinary items have been properly classified and reported.
- 21) Deposit and investment risks have been properly and fully disclosed.
- 22) Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- 23) All required supplementary information is measured and presented within the prescribed guidelines.

Information Provided

- 24) We have provided you with:
 - a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
 - b. Additional information that you have requested from us for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- 25) All transactions have been recorded in the accounting records and are reflected in the financial statements.
- 26) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 27) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a. Management;
 - b. Employees who have significant roles in internal control; or
 - c. Others where the fraud could have a material effect on the financial statements.
- 28) We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
- 29) We are not aware of any pending or threatened litigation, claims or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims or assessments.

- 30) We have disclosed to you the identity of all the entity's related parties and the nature of all the related party relationships and transactions of which we are aware.
- 31) There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- 32) The entity has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- 33) We have disclosed to you all guarantees, whether written or oral, under which the entity is contingently liable.
- 34) We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the entity will make a payment on any guarantee.
- 35) For nonexchange financial guarantees where we have declared liabilities, the amount of the liability recognized is the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. Where there was no best estimate but a range of estimated future outflows has been established, we have recognized the minimum amount within the range.
- 36) We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- 37) We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- 38) There are no:
 - a. Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - b. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62
 - c. Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
- 39) The entity has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- 40) We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 41) There are no significant leases held by the Authority that need to be analyzed under GASB 87, *Leases*.
- 42) The information regarding the dissolution of the Authority is complete and correct, and to the best of our knowledge.

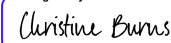
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Ms. Nikki Simmons, Chief Financial Officer, El Paso County

Signed by:



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Ms. Christine Burns, Division of Justice Services Director, El Paso County

***FOURTH JUDICIAL DISTRICT
COMMUNITY CORRECTIONS AUTHORITY
AUDITOR COMMUNICATIONS
DECEMBER 31, 2024***

***FOURTH JUDICIAL DISTRICT
COMMUNITY CORRECTIONS AUTHORITY
FINANCIAL STATEMENTS
DECEMBER 31, 2024***

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Independent Auditors' Report

Community Corrections Board of Directors
Fourth Judicial District
Community Corrections Authority
Colorado Springs, Colorado

Opinions

We have audited the financial statements of the governmental activities and the major fund of the Fourth Judicial District Community Corrections Authority (the Authority), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the governmental activities and the major fund of the Authority as of December 31, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis For Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities For The Audit Of The Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities Of Management For The Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities For The Audit Of The Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages i through iii, and the budgetary comparison schedule on page 12, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

RubinBrown LLP

July 23, 2025

FOURTH JUDICIAL DISTRICT COMMUNITY CORRECTIONS AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024

As management of the Fourth Judicial District Community Corrections Authority (the "Authority"), we offer this narrative overview of the Authority's financial activities for the year ended December 31, 2024, to readers of the Authority's financial statements. We encourage readers to consider the information presented here with the Authority's financial statements.

The Authority was established by an Intergovernmental Agreement (IGA) between Teller County, Colorado, and El Paso County, Colorado, on December 9, 2022, to ensure a coordinated, effective, and efficient community corrections system encompassing the Fourth Judicial District.

The governing board comprises two El Paso County Board of County Commissioners appointees and one Teller County Board of County Commissioners appointee. Appointees shall not be elected officials or staff members of either El Paso or Teller County. The three-member Board of Directors ("Board") shall have the power to provide the functions, services, and facilities for which the Authority is formed.

FINANCIAL HIGHLIGHTS

- The assets of the Authority were equal to its liabilities at the close of its most recent fiscal year at \$1,326,954.
- The Authority's cash balance at December 31, 2024 was \$1,326,061.
- The Authority had total revenue of \$13,480,428 and total expense of \$13,480,428.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements of the Authority report information about the Authority using accounting methods similar to those used by governmental agencies. These statements offer short and long-term financial information about its activities. The following financial statements are included:

Balance Sheet/Statement of Net Position

The Balance Sheet provides information about the assets and liabilities. It also provides the basis for computing the overall net position.

Statement of Revenues, Expenses and Changes in Fund Balance/Statement of Activities

This statement measures the results of the Authority's operation over the past year and can be used to determine whether the Authority has successfully recovered all its costs through its fees and other charges.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

FINANCIAL ANALYSIS OF THE AUTHORITY

The Balance Sheet and the Statement of Revenues, Expenses and Changes in the Fund Balance reports information about the Authority's activities in a way that can help answer whether the Authority's overall financial position improved or deteriorated during the year. These two statements report on the fund balance of the Authority and changes in it. The Authority's fund balance (difference between assets and liabilities) is one way to measure financial health or financial position. Over time, increases in the Authority's fund balance are one indicator that the Authority's financial health is improving. However, you will need to consider other non-financial factors, such as changes in economic conditions, population growth, or changes in government legislation.

As part of our analysis, we provide a summary of the Authority's Balance Sheet as presented below.

Balance Sheet		
December 31,		
	2024	2023
Assets		
Cash	\$ 1,326,061	\$ 924,667
Due from other governments	893	131,085
Total Assets	<u>1,326,954</u>	<u>1,055,752</u>
Current Liabilities		
Accounts payable	<u>1,326,954</u>	<u>1,055,752</u>
Fund Balance		
Unassigned	<u>-</u>	<u>-</u>
Total Fund Balance	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 1,326,954</u>	<u>\$ 1,055,752</u>

In 2024, the Authority's total assets increased by \$271,202 compared to the prior year; however, this was fully offset by a corresponding increase in total liabilities. Additionally, total revenues rose by \$771,223 year-over-year, matched by an equivalent increase in total expenditures.

Condensed Statement of Revenues, Expenses and Changes in Fund Balance

	<u>2024</u>	<u>2023</u>
Revenues		
Total Revenues	\$ 13,480,428	\$ 12,709,205
Expenditures		
Total Expenditures	<u>13,480,428</u>	<u>12,709,205</u>
Changes In Fund Balance	-	-
Fund Balance - Beginning Of Year	<u>-</u>	<u>-</u>
Fund Balance - End Of Year	<u>\$ -</u>	<u>\$ -</u>

BUDGETARY HIGHLIGHTS

The Fourth Judicial District Community Correction Authority each year prepares a recommended annual budget for the following fiscal year and budgets all revenues and expenditures for its fund. The proposed budget shall be balanced and prepared in accordance with requirements of Local Government Budget Law of Colorado, C.R.S. 29-1-101 and adopted on a basis consistent with generally accepted accounting principles (GAAP).

The budgetary highlights of the 2024 Budget are in the Professional Contracted Services category, which makes up the majority of the Authority's budget, with the costs of services to the citizens in the community correction programs funded through this budget line. The budget for this is \$12,698,220. The remainder of the budget consists of the administrative cost and cost of doing business in the amount of \$450,626, making the total Authority budget for 2024 \$13,148,846. Budget to actual statements are included in Supplementary Information in the audited financial statements.

CONTACT INFORMATION

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Fourth Judicial Community Corrections Authority
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Colorado Springs, CO 80905
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ChristineBurns@elpasoco.com

**FOURTH JUDICIAL DISTRICT
COMMUNITY CORRECTIONS AUTHORITY**

**GOVERNMENTAL FUND BALANCE SHEET/
STATEMENT OF NET POSITION
December 31, 2024**

	General Fund	Statement Of Net Position
Assets		
Cash	\$ 1,326,061	\$ 1,326,061
Due from other governments	893	893
Total Assets	\$ 1,326,954	1,326,954
Liabilities		
Accounts payable	\$ 1,099,086	1,099,086
Unearned revenues - grant funds	227,868	227,868
Total Liabilities	1,326,954	1,326,954
Fund Balance		
Unassigned	—	
Total Liabilities, Deferred Inflows And Fund Balance	\$ 1,326,954	
Net Position		
Unrestricted		—
Total Net Position		\$ —

**FOURTH JUDICIAL DISTRICT
COMMUNITY CORRECTIONS AUTHORITY**

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE/STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2024**

	General Fund	Statement Of Activities
Revenues		
Grant revenues	\$ 13,480,428	\$ 13,480,428
Expenditures/Expenses		
Community corrections:		
Professional contract services	13,001,981	13,001,981
Contract administrative services	473,681	473,681
Other expenses	4,766	4,766
Total Expenditures/Expenses	13,480,428	13,480,428
Changes In Fund Balance/Net Position	—	—
Fund Balance/Net Position - Beginning Of Year	—	—
Fund Balance/Net Position - End Of Year	\$ —	\$ —

FOURTH JUDICIAL DISTRICT COMMUNITY CORRECTIONS AUTHORITY

NOTES TO FINANCIAL STATEMENTS December 31, 2024

1. Summary Of Significant Accounting Policies

The financial statements of the Fourth Judicial District Community Corrections Authority (the Authority) have been prepared in accordance with generally accepted accounting principles (GAAP), which are applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the Authority's significant accounting policies follows:

Reporting Entity

The Authority was established by an intergovernmental agreement between El Paso County, Colorado (EPC) and Teller County, Colorado (TC) on December 8, 2022. The Authority was established for the purpose of administering contracts to operate a community corrections program in the Fourth Judicial District which comprises the area under the jurisdiction of both EPC and TC. Administration includes but is not limited to receiving and expending funding from the State of Colorado (the State), administering allocation letters, and administering contracts for community corrections services and facilities.

The Authority is governed by a 3-member volunteer Community Corrections Board (the Board) made up of two representatives appointed by EPC's Board of County Commissioners, and one representative appointed by TC's Board of County Commissioners. The appointees shall not be elected officials or staff members of either EPC or TC and shall serve without compensation but may be reimbursed for actual expenses incurred. EPC and TC may modify their respective Board appointments at any time.

The Authority is not financially accountable for any other organization, nor is it a component unit of any other primary governmental organization. The financial statements of the Authority consist only of the funds of the Authority. There are no legally separate organizations for which the members of the Board are financially accountable, or for which the nature and significance of their relationships with the Authority are such that the exclusion of the financial data would cause the Authority's financial statements to be misleading or incomplete.

**FOURTH JUDICIAL DISTRICT
COMMUNITY CORRECTIONS AUTHORITY**

Notes To Financial Statements (*Continued*)

Government-Wide And Fund Financial Statements

The government-wide financial statements (i.e., statement of net position and statement of activities) report information on all of the activities of the Authority. The statement of activities demonstrates the degree to which the direct expenses of a given function or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or program requirement for the emergency management function of the Authority. Program revenues include contract fees and assessments related to the operation of the emergency management function of the Authority.

Major individual governmental funds are reported in separate columns in the fund financial statements.

Measurement Focus, Basis Of Accounting And Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned, and expenses are recognized at the time the liability is incurred.

The governmental fund financial statements are reported using the current financial resources measurement focus and accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they become both measurable and available. “Measurable” means the amount of the transaction can be determined, and “available” means collectible within the current period or soon enough thereafter (within 60 days) to be used to pay liabilities of the current period.

The Authority presents the following major governmental fund:

The General Fund is the primary operating fund. It accounts for all general operating financial resources of the Authority. There are no resources required to be accounted for in another fund.

FOURTH JUDICIAL DISTRICT COMMUNITY CORRECTIONS AUTHORITY

Notes To Financial Statements (*Continued*)

Budgets

No later than December 15 of each year, the Board shall prepare a proposed recommended annual budget for the next fiscal year. The proposed annual budget shall be balanced and shall conform with the requirements of the Local Government Budget Law of Colorado, C.R.S. § 29-1-101. Budgets are adopted on a basis consistent with GAAP.

Cash

The Authority maintains cash in an account with a financial institution that is collateralized both by Federal Deposit Insurance Corporation (FDIC) and Public Deposit Protection Act (PDPA), as required by legislation. At December 31, 2024, \$250,000 of the Authority's cash deposits were collateralized by the FDIC, and \$1,076,061 was collateralized by PDPA.

Unearned Grant Revenues

Unearned grant revenue in the statement of net position results from the receipt of funds from the State for expenditures not yet incurred. This revenue will be deferred and recognized in the period that the funds are expended.

Capital Assets

The Authority capitalizes all expenditures for real and personal property with a cost in excess of \$5,000 and a useful life of more than 1 year. Purchases of real and personal property are recorded at cost, and donated items are recorded at acquisition value upon the date of donation. Depreciation is calculated on the straight-line method over the estimated useful lives of the assets, ranging from 3 to 40 years. The Authority does not have any capital assets at December 31, 2024.

Net Position And Fund Balance

Governmental accounting standards require the classification of net position into three components: net investment in capital assets, restricted and unrestricted. These classifications are defined as follows:

- *Net Investment In Capital Assets* - This component of net position consists of capital assets net of accumulated depreciation.

FOURTH JUDICIAL DISTRICT COMMUNITY CORRECTIONS AUTHORITY

Notes To Financial Statements (*Continued*)

- *Restricted* - This component of net position consists of constraints placed on net position use through external constraints imposed by creditors, grantors, contributors or laws or regulations of other governments or constraints imposed through constitutional provisions or enabling legislation.
- *Unrestricted* - This is the component of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

The Authority follows GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. A formal policy was not adopted defining fund balance classifications. In the fund financial statements, governmental funds report the following classifications of fund balance:

- *Nonspendable* - includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact
- *Restricted* - includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation
- *Committed* - includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board, the Authority’s highest level of decision-making authority. Committed fund balance may be modified or rescinded only through resolutions approved by the Board.
- *Assigned* - includes amounts intended for a specific purpose, but do not meet the definition of restricted or committed fund balance. The Board is authorized to assign fund balances.
- *Unassigned* - includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the Authority considers restricted funds to have been spent first. Although not included in a formal policy, the Authority considers decreases to fund balance to first reduce committed, then assigned and finally unassigned fund balances.

FOURTH JUDICIAL DISTRICT COMMUNITY CORRECTIONS AUTHORITY

Notes To Financial Statements (*Continued*)

Based on the reimbursement nature of the grant, the Authority does not expect to accumulate any fund balance or net position as a result of its normal operations.

Management Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

2. Stewardship, Compliance And Accountability

State Of Colorado Contract And Allocations

The Authority's funding and revenue is provided solely by the State and its Division of Criminal Justice's Office of Community Corrections. Allocations are made on a State fiscal year basis, with runs from July 1 to June 30 of each year, and amended the original contract when issued as appropriate. Amounts are advanced to Authority to provide the services as outlined under the Contract and its subsequent allocation letters. Any amount not spent or obligated by the end date specified in each allocation letter is required to be returned to the State no later than one month after the end date of the allocation letter.

3. Related Party Transactions

The Authority is administered and staffed by EPC employees. EPC will act as fiscal agent for the Authority, meaning that 100% of the allocated Board Administrative Funds will be received by the Authority and paid to EPC as a reimbursement of administrative costs. EPC invoices the Authority for Community Corrections administration and staffing at an amount not to exceed the amount authorized annually by the State's allocation of administrative funds and other funding sources received by the Authority. The amount paid to EPC for the year is included under the caption Contract Administrative Services on the Statement Of Changes In Fund Balance/Statement Of Activities.

**FOURTH JUDICIAL DISTRICT
COMMUNITY CORRECTIONS AUTHORITY**

Notes To Financial Statements (*Continued*)

The Contract for the services between the Authority and the State is run on an allocation basis, whereby the State provides a set allocation of funds for the Contract. Occasionally, accruals of expenditures for services exceeds the receipt of the allocations from the State, but do not exceed the total funding allocation of the year, at which time a receivable from the State is recorded for Authority. At December 31, 2024, \$893 was due from the State to the Authority for services accrued but not yet paid to its vendors.

4. Risk Of Loss

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries and natural disasters. The Authority carries commercial insurance for all risks of loss, including directors and officers and general liability policies. The Authority retains no risk of loss. There have been no settled claims that have exceeded commercial insurance coverage in the past nine months. There have been no significant reductions in insurance coverage.

Required Supplementary Information

**FOURTH JUDICIAL DISTRICT
COMMUNITY CORRECTIONS AUTHORITY**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL -
GENERAL FUND**

For The Year Ended December 31, 2024

	Original And Final Budget	Actual	Variance - Favorable (Unfavorable)
Revenues			
Community correction services	\$ 12,698,220	\$ 13,001,981	\$ 303,761
Community correction administrative services	450,626	478,447	27,821
Total Revenues	13,148,846	13,480,428	331,582
Expenditures			
Professional contract services	12,698,220	13,001,981	(303,761)
Contract administrative services	449,626	473,681	(24,055)
Other expenses	1,000	4,766	(3,766)
Total Expenditures	13,148,846	13,480,428	(331,582)
Changes In Fund Balance	\$ —	—	\$ —
Fund Balance - Beginning Of Year		—	
Fund Balance - End Of Year		\$ —	

Note:

The basis of budgeting is the same as GAAP.